

## BUDGET SUMMARY – ALL FUNDS

### FISCAL YEAR 2007 EXPENDITURE SUMMARY

The fiscal year 2007 budget for all City funds is \$308.0 million; a \$33.5 million (or 12.2%) increase over the fiscal year 2007 spending plan. This amount includes the General Fund budget of \$170.1 million and \$137.9 million in various other fund groups. Other fund groups include Miscellaneous Special Revenue Funds (\$26.8 million), Sewer Funds (\$29.9 million), Capital Improvement Funds (\$22.1 million), Debt Service Funds (\$24.8 million), Transit Funds (\$7.3 million), Internal Service Funds (\$9.9 million), and Redevelopment Agency/Housing (RDA) funds (\$17.2 million). The Capital Improvement Program (CIP) budget of \$15.9 million is included within the various funds. The CIP budget is discussed in greater detail in the Budget Summary – Capital Improvement Program section.

#### **All Funds Expenditure Summary In Thousands (000)**

<b>Fund Type</b>	<b>Spending Plan</b>	<b>Adopted</b>	<b>Change</b>
General Fund	\$ 161,798	\$ 170,075	\$ 8,277
Miscellaneous Special Revenue Funds <sup>1</sup>	\$ 24,987	\$ 26,793	\$ 1,805
Sewer Funds	\$ 32,834	\$ 29,916	\$ (2,918)
Redevelopment Agency	\$ 6,888	\$ 17,166	\$ 10,277
Capital Improvement Funds	\$ 12,405	\$ 22,119	\$ 9,713
Debt Service Funds	\$ 19,238	\$ 24,780	\$ 5,542
Transit Funds	\$ 7,097	\$ 7,307	\$ 211
Internal Service Funds	\$ 9,314	\$ 9,893	\$ 579
<b>Total All Funds<sup>2</sup></b>	<b>\$ 274,561</b>	<b>\$ 308,047</b>	<b>\$ 33,486</b>

<sup>1</sup>Special Revenue Funds total excludes Sewer and Redevelopment Agency

<sup>2</sup>The fiscal year 2007 Budget includes \$44,591,822 in inter-fund transfers.

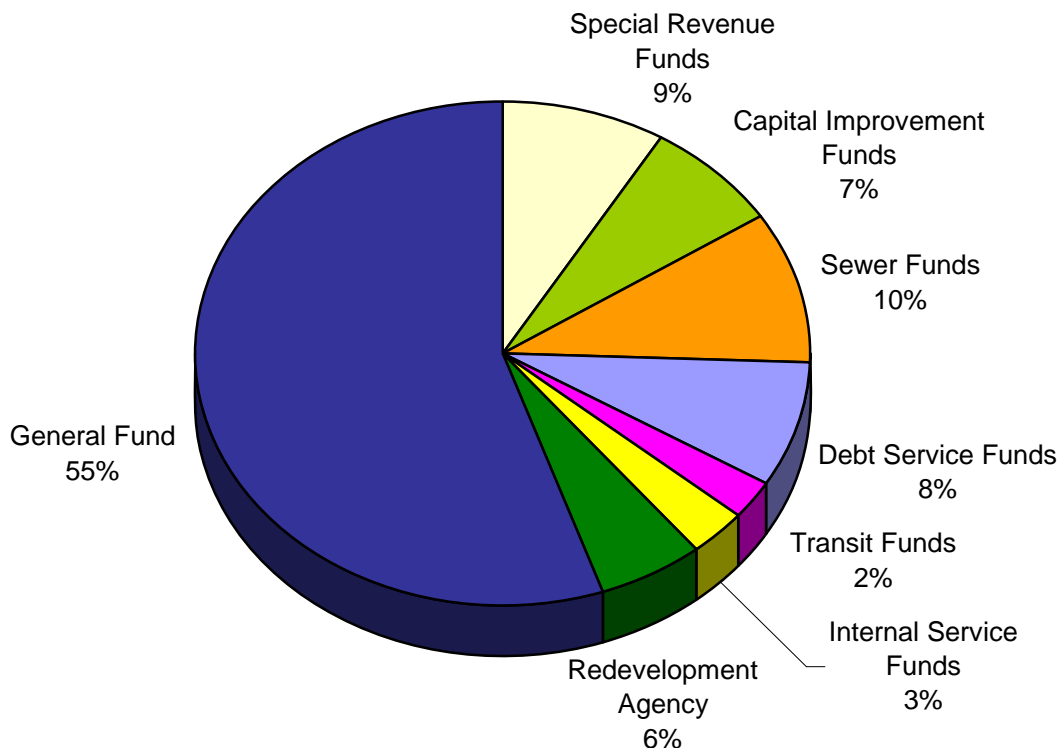
The largest increase from the spending plan to the proposed budget is in Redevelopment Agency Funds, with an increase of \$10.3 million. This increase is mainly related to anticipated payments for the Gateway Project, which is reflected as a loan repayment from the Merged Project Area (\$4.3) and in the Bayfront/TC I project area as a payment to Gateway (\$4.3). This increase is discussed in greater detail in the Budget Summary – Redevelopment Agency. The RDA represents 6% of the City's total all funds budget. Agency funds are used to fund operating expenditures, debt service, and Agency capital projects in the redevelopment project areas including Bayfront, Town Centre I, Merged Project Fund (Town Centre II, Southwest and Otay Valley).

The increase in Capital Improvement Funds of \$9.7 million represents the next largest change from the spending plan. This increase is primarily due to newly budgeted Development Impact Fee expenditures, including TDIF funds for the Heritage Road Bridge CIP (\$3.5 million) and PFDIF funds reimbursing the City for the acquisition of the Rancho del Rey Library site (\$4.0 million). Capital Improvement Funds represent 7% of the City's all funds budget.

The General Fund represents 55% of the City's total all funds budget, and experienced the third largest increase at \$8.3 million. More information on the changes in the General Fund is provided in the Budget Summary – General Fund section, but the increase is primarily due to the new positions approved by Council mid-year and other increases in personnel services. The General Fund is the primary source of funding for ongoing City operations including: police, fire, library, and recreation services, as well as development and maintenance services.

The decrease in the Sewer Fund of \$2.9 million reflects the elimination of a transfer from the Trunk Sewer Capital Reserve to Sewer Service Revenue offset by increases in additional capital improvement projects, contractual services, and loan repayment expenses. Sewer Funds represent 10% of the City's total all funds budget; these funds account for expenditures related to the City's sewer and storm drain programs.

#### **Fiscal Year 2007 All Funds Budget by Major Category - \$308.0M**



## **FISCAL YEAR 2007 REVENUE SUMMARY**

The proposed fiscal year 2007 revenue for all City funds total \$307.8 million; a \$19.2 million (or 6.7%) increase over the fiscal year 2007 spending plan. This amount includes property taxes (\$37.7 million), sales taxes and other local taxes (\$64.7 million), revenue from other agencies (\$38.4 million), charges for services (\$51.8 million), and other revenue (\$36.7 million). General Fund revenues total \$170.1 million; a \$8.4 million increase over the fiscal year 2007 spending plan.

### **All Funds Revenue Summary In Thousands (000)**

<b>Fund Type</b>	<b>Spending Plan</b>	<b>Proposed</b>	<b>Change</b>
Property Taxes	\$ 32,726	\$ 37,718	\$ 4,992
Other Local Taxes	\$ 66,216	\$ 64,675	\$ (1,541)
Licenses and Permits	\$ 4,724	\$ 4,706	\$ (17)
Fines, Forfeitures & Penalties	\$ 1,934	\$ 2,058	\$ 124
Use of Money & Property	\$ 9,406	\$ 8,736	\$ (670)
Revenue from Other Agencies	\$ 36,305	\$ 38,407	\$ 2,101
Charges for Services	\$ 53,501	\$ 51,765	\$ (1,736)
DIF	\$ 14,704	\$ 18,506	\$ 3,802
Other Revenue	\$ 36,139	\$ 36,674	\$ 534
Transfers In	\$ 32,976	\$ 44,592	\$ 11,616
<b>Total All Funds Revenues</b>	<b>\$ 288,631</b>	<b>\$ 307,836</b>	<b>\$ 19,205</b>

The fiscal year 2007 budget includes an increase of \$11.6 million in Transfers In, this represents the largest increase from the spending plan for any revenue category. This includes the repayment of a loan from the Merged area to the Bayfront of \$4.3 million related to the payment for the Gateway project; for accounting purposes this repayment is also budgeted in a debt service account – these two changes account for \$8.6 million of the increase in transfers in. Transfers In represents 14% of the City's all funds budget.

The next largest increase is in Property taxes, which increased \$5.0 million from the spending plan. This includes \$3.2 million to reflect the increase in assessed value as determined by the county assessor and \$1.8 million for increased property tax increment from redevelopment projects. Property Taxes come from the assessment of qualifying property at 1% of the market value of the property and from tax increment revenues generated in redevelopment project areas. Property taxes represent 12% of the City's all funds budget.

Charges for services is the second largest revenue source at \$51.8 million and represents 17% of the City's all funds budget. These revenues are collected through service charges or fees on the user of specific services such as for sewer, plan checking, and recreation programs. The budget includes a net reduction to Charges for Services of \$1.7 million.

The largest portion of City revenues, \$64.7 million or 21% of the City's all funds budget, come from Other Local Taxes - including sales taxes, business license taxes, transient occupancy taxes, franchise fees, and utility users tax. The proposed budget includes a reduction of \$1.5 million to reflect anticipated revenue based on scheduled TransNet projects for fiscal year 2007.

### **All Funds Revenue Fiscal Year 2007 Budget – \$307.8M**

